



DEPARTMENT OF STATE

Washington, D.C. 20520

4A

November 15, 1977

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TO: Interagency Working Group
 FROM: PM - Leslie H. Gelb JH8
 SUBJECT: Latin American Arms Transfer Study

The original analysis was prepared in response to an OMB request for a study related to FY 1979 FMS credit funding for Latin America. The completed study was forwarded to OMB without full interagency agreement. A copy of the Executive Summary of the study was forwarded to you under cover of an October 20 memorandum from Dave Gompert.

The attached outline is focused on subregional analysis of arms transfer policy issues in an effort to develop mid-level policy guidance to bridge the gap between broad formulations of Administration policy and specific decisions on arms transfers to the region. To the extent possible, the study should draw on the draft done for OMB.

Because of the interrelated nature of the issues and to facilitate rapid drafting, PM and ISA will do a first draft of the paper with a target date of November 25. This draft will be circulated for interagency review. The study is intended for PRC consideration.

Attachment
a/s

~~NSC Declassification Review [EO 13526]
 DECLASSIFY IN PART
 by John Powers on 2/15/2018~~

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OUTLINE OF LATIN AMERICAN ARMS TRANSFER STUDY

4B

I. INTRODUCTION

This section will describe the purpose and organization of the study.

A. Purpose

The purpose of the study is to provide policy guidance on arms transfers to Latin American within the framework of PD-13. The supporting analysis is focused on US interests, including those that are the subject of PD-13 (arms restraint) and human rights. The study is intended to provide mid-level guidance bridging the gap between global policy formulations and the analysis of specific decisions on arms transfers to the region.

B. Roadmap: Organization of the study.

II. BACKGROUND

This section will analyze the past trends and probable developments that are the basis for the subregional analysis.

A. Historical Assessment: Role of US and other suppliers; impact of US policies.

B. Future Demand

C. Other Suppliers: Their capacity to meet future demand.

D. Indigenous Suppliers: Their capacity to meet future demand.

E. Summary of Present Restrictions: Restrictions due to US policy, US legislation, or Latin refusals.

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III. INTERESTS AND ISSUES

This section will discuss the US interests and related policy issues to be examined subregionally.

A. US Interests Most Likely to be Affected by Arms Transfers - study should include following list:

- protect human rights and support democracy in the region;
- prevent armed conflicts between hemispheric states;
- promote arms transfer restraint; avert arms competition;
- protect lines of communication (sea lanes, Panama Canal); preserve access to overflight routes and air and sea port facilities;
- preserve a secure Southern Flank against internal instability likely to lead to the creation of hostile power bases; and
- meet US economic needs, including access to raw materials and markets.

B. Issues

1. Military Need: To what extent do US security interests require arms transfers to provide military capabilities to local forces to meet extra-hemispheric or internal threats?

2. Areas of Potential Conflict:* What US arms transfer decisions would best serve our interest in preventing

*Or in threat analysis terms, threats or mutual threats from neighboring countries.

conflict by promoting military stability or political settlements?

3. Bilateral Relations:

- a) how important are arms politically in our bilateral relationship?
- b) what arms transfer decisions would best preserve the bilateral relationship and serve interests that must be promoted in our bilateral dealings -- for example
 - human rights and democracy;
 - economic interests;
 - security interests*; and
 - non-proliferation.

4. Other Suppliers Including Indigenous Production:

How do third country sales and the development of indigenous production facilities affect our interests, and how should we respond? Does US restraint in supplying arms actually hold down arms levels, in view of existence of other sources of arms?

IV. SUBREGIONAL ANALYSIS OF ISSUES

This section will analyze these policy issues most relevant to each subregion, discussing the issues in the light of sub-regional conditions. The analysis will focus on possible guidelines for resolving the policy issues in a way that will best serve US interests in the subregion.

*Includes political effect of arms supply on willingness to provide facilities or to help US in time of war or crisis.

A. Central America

Issues:

1. Military need (internal security-Nicaragua, Guatemala).
2. Areas of potential conflict (Guatemala-Belize; El Salvador-Honduras).
3. Bilateral relations: includes effect of arms decisions on efforts to promote human rights in the bilateral context (Guatemala and Nicaragua).
4. Other suppliers (same as 2. above).

B. The Caribbean Basin (including Colombia and Venezuela)

Issues:

1. Military need (internal-Colombia).
2. Areas of tension (regional rivalry rather than potential conflict - Venezuela-Colombia).
3. Bilateral relations.
4. Effect of denial of arms to human rights violators outside the Caribbean Basin on our standing with Caribbean democracies.

C. The Andean Region

Issues:

1. Areas of potential conflict (Peru, Ecuador, Chile and Bolivia).
2. Bilateral relations: includes human rights.
3. Other suppliers (same countries as above).

D. Argentina-Brazil

Issues

1. Military need (internal security and strategic).
2. Bilateral relations, including how arms affect

bilateral promotion of:

- human rights;
- economic interests;
- security interests; and
- non-proliferation.

3. Foreign and indigenous sources of supply

IV. ANNEX (tabular data from previous version of study)

V. GUIDELINES

This section will summarize the subregional guidelines developed in the preceding section. Where realistic choices exist, alternatives will be presented. If, in some cases, similar guidelines seem warranted by the subregional analyses, region-wide guidelines may be suggested.

Drafted: PM/SSP:PPerenyi
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